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### **PENCE VOTES FOR JOBS CREATION ACT**

*Tax Cuts and Tariff Removal Designed to Help Manufacturing Sector*

**Washington, Oct 11, 2004** - Washington, D.C.- Congressman Mike Pence voted late last night for the American Jobs Creation Act. The conference report passed the House by a vote of 280-141 and now goes to President Bush for his signature.

“Last night was big news for jobs in the Sixth Congressional District-especially manufacturers. The American Jobs Creation Act was passed into law, which basically repeals subsidies for exports that were found to be in violation of international agreements. These subsidies resulted in as much as 12 percent tariffs in some European countries against some \$4 billion in U.S. exports. We had to take those down and eliminate those manufacturing subsidies for exporters. While we were at it, we took the opportunity to create tax relief.

“This two-pronged approach of alleviating trade barriers and providing tax relief at the same time is good fiscal policy and should help our economy, particularly that of east central Indiana, start to climb out of the recession we inherited when I took office back in 2001.”

#### Background on the American Jobs Creation Act

#### **Ends Sanctions on American Products**

- Repeals export tax subsidy known as FSC-ETI – thereby ending tariffs on American manufacturers and farmers

### **Reduces Corporate Tax Rates, Benefits Small Businesses**

-Effectively reduces the top corporate tax rate from 35 percent to 32 for domestic manufacturers and businesses, large and small. It also provides tax incentives for small businesses and farmers.

### **Simplifies International Tax Law and Enhances U.S. Competitiveness**

– Minimizes double taxation of U.S. businesses engaged in the global market and simplifies complex international tax law.

### **Creates American Jobs**

– Reducing taxes, ending sanctions and encouraging business investment will generate American job growth. U.S. businesses will have more resources available to create new jobs and retain existing workers.